

L. MIDLAND

1. OVERVIEW

City Location & History

Midland is located at the confluence of the Chippewa and Tittabawassee rivers, 128.0 miles northeast of Detroit in the east central region of Michigan's lower peninsula. It was settled in 1831, became the seat of Midland County in 1851, and was incorporated as a city in 1887. The city originally grew as a distribution point for floating timber during the late 19th century lumber boom. In 1890, H.H. Dow arrived in Midland to start the Brine & Salt Works, which later became the Dow Chemical Company. Dow's success enabled the city to survive the end of the logging era, and grow to its current size. Today, Midland is global headquarters for Dow Chemical/Dow Corning and the Midland Cogeneration Venture (gas-fueled, steam recovery cogeneration facility). Higher education also contributes to Midland's prosperity, with Northwood University, Davenport University, Saginaw Valley State University, Central Michigan University and Delta College all nearby.

Midland is located along U.S. Highway 10, connecting Interstate 75 (Flint south and Grayling north) to U.S. Highway 127 (Lansing south and Grayling north). In 2007 it was estimated that Midland had 41,701 people living in 17,251 households within 33.2 square miles.

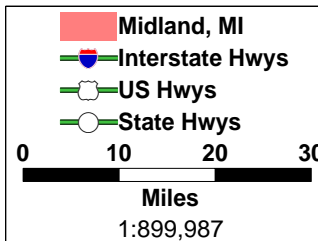
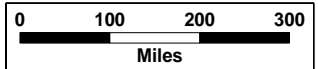
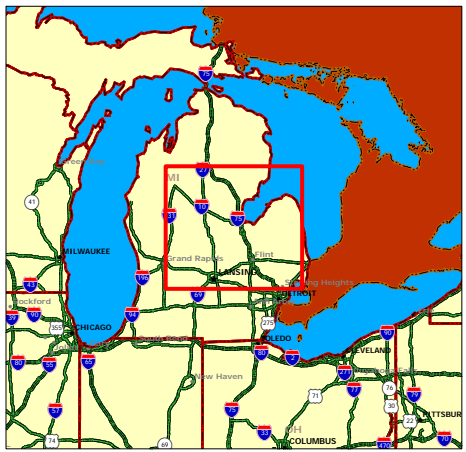
Downtown Study Area Delineation & Boundaries

The Midland Downtown Study Area (DSA) was established after a driving tour of the inner city and consultation with city officials. The following four factors influenced the final delineation: (1) exclusion of single-family neighborhoods, (2) inclusion of the Central Business District, (3) general adherence to downtown development authority boundaries, and (4) recognition of significant natural and man-made barriers. For this study, the Midland DSA is generally described as follows:

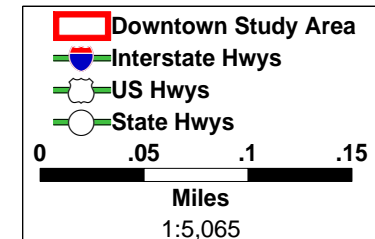
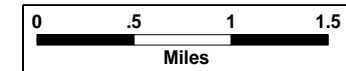
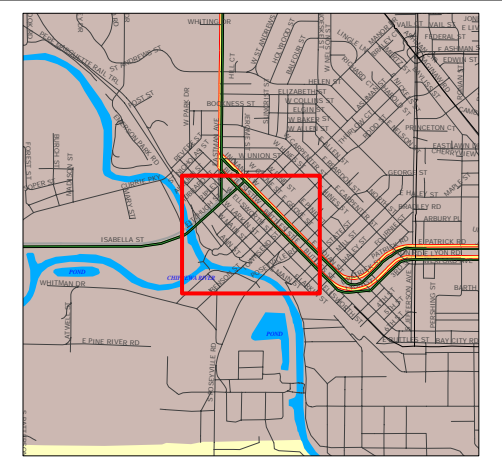
- Northeast boundary: Buttes Street
- Southeast boundary: State Street
- Southwest boundary: Tittabawassee River
- Northwest boundary: Isabella Street / Jerome Street

The geographic center of the DSA is the intersection of Rodd Street and Larkin Street. A regional map showing the location of the city within the state and a map delineating the specific boundaries of the DSA follows.

Midland, MI: Surrounding Region



Midland, MI: Downtown Study Area



2007 Demographic Snapshot (Estimated from 2000 Census)

The following table provides a brief demographic snapshot of key population and household characteristics for the Midland DSA and the remainder of the city:

	2007 ESTIMATE	
	DOWNTOWN STUDY AREA	REMAINDER OF MIDLAND
POPULATION		
NUMBER	322	41,379
MEDIAN AGE	36.7	38.8
GENDER		
PERCENT MALE	47.3%	48.1%
PERCENT FEMALE	52.7%	52.0%
EDUCATION (AGE 25+)		
PERCENT HIGH SCHOOL EDUCATED	44.1%	28.9%
PERCENT COLLEGE EDUCATED	55.9%	71.1%
MARTIAL STATUS (AGE 15+)		
PERCENT SINGLE	57.7%	39.2%
PERCENT MARRIED	42.4%	60.8%
HOUSEHOLDS		
NUMBER	191	17,060
PRESENCE OF CHILDREN		
PERCENT WITH CHILDREN	25.0%	37.2%
PERCENT WITHOUT CHILDREN	75.1%	62.8%
AVERAGE SIZE	1.9	2.4
TENURE		
PERCENT OWNER	28.3%	70.3%
PERCENT RENTER	71.7%	29.7%
MEDIAN INCOME	\$23,922	\$52,664

Source: 2000 Census; Claritas, Inc.

The above data and more detailed demographic information are analyzed in the following section.

2. DEMOGRAPHICS

The following information has been compiled from the U.S. Census Bureau, the U.S. Department of Housing and Urban Development, the U.S. Department of Labor, and the FBI. It has been grouped into five categories for analysis: (1) population characteristics - descriptors for individual people, (2) household characteristics - descriptors for people living together in one residence, (3) housing characteristics - descriptors for residential dwelling units, (4) crime and transportation - descriptors for crime rates and transit/commuting activities, and (5) economic and employment indicators - descriptors for business and employment activity. This information is provided for expanding geographic areas: (1) the Downtown Study Area (DSA), (2) the remainder of the DSA's city, and (3) the state of Michigan.

Population Characteristics

	DOWNTOWN STUDY AREA	REMAINDER OF MIDLAND	STATE OF MICHIGAN
POPULATION			
1990 CENSUS	247	38,619	9,295,297
2000 CENSUS	304	41,383	9,938,444
2007 ESTIMATED	322	41,379	10,159,688
2012 PROJECTED	320	41,175	10,268,116
PERCENT CHANGE 1990 TO 2000	23.1%	7.2%	6.9%
PERCENT CHANGE 2000 TO 2007	5.9%	0.0%	2.2%
PERCENT CHANGE 2007 TO 2012	-0.6%	-0.5%	1.1%
POPULATION BY AGE 2007			
PERCENT AGE LESS THAN 18 (CHILDREN)	19.6%	23.7%	24.5%
PERCENT AGE 18 TO 34 (YOUNG ADULTS)	28.3%	21.7%	22.6%
PERCENT AGE 35 TO 54 (MIDDLE-AGED ADULTS)	26.1%	28.8%	29.2%
PERCENT AGE 55 OR MORE (SENIORS)	26.1%	25.8%	23.7%
MEDIAN AGE	36.7	38.8	37.1
POPULATION BY GENDER 2007			
PERCENT MALE	47.3%	48.1%	49.2%
PERCENT FEMALE	52.7%	52.0%	50.8%
POPULATION BY EDUCATION (AGE 25+) 2007			
PERCENT HIGH SCHOOL GRADUATES OR LESS	44.1%	28.9%	47.6%
PERCENT SOME COLLEGE	35.0%	20.4%	23.4%
PERCENT COLLEGE GRADUATES OR MORE	20.9%	50.6%	29.1%
POPULATION BY MARTIAL STATUS (AGE 15+) 2007			
PERCENT NEVER MARRIED	27.7%	24.2%	27.2%
PERCENT MARRIED	42.4%	60.8%	56.3%
PERCENT WIDOWED/DIVORCED	29.9%	15.1%	16.5%
LAND AREA, POPULATION DENSITY & DAYTIME POPULATION 2007			
LAND AREA (IN SQUARE MILES)	0.2	33.0	56,803.8
PERSONS PER SQUARE MILE	1,916.7	1,252.1	178.9
DAYTIME POPULATION	1,469	28,023	5,680,903

Source: 2000 Census; Claritas, Inc.

Noteworthy observations and trends for the Midland DSA include the following:

- The total population within the DSA increased at a higher rate than the remainder of the city and the state from 1990 to 2000 (23.1% versus 7.2% and 6.9%). Further, DSA population is projected to increase 5.3% from 2000 to 2012, while the remainder of the city is expected to decrease slightly by 0.5%. The state's population is expected to increase (3.3%) during this same 12-year period.
- In 2007 322 people resided within the DSA, representing only 0.8% of the city's total population.

- In 2007 the typical DSA resident profile was a 37 year old adult who was college educated (55.9%) and unmarried (57.6%). Females slightly outnumbered males. This profile is similar to the remainder of the city and the state. The percentage of children under 18 years of age within the DSA was slightly lower than the remainder of the city and the state (19.6% versus 23.7% and 24.5%).
- In 2007 the land area within the DSA represented 0.6% of the total area within the city limits.
- In 2007 the population density within the DSA was 1.5 times denser than the remainder of the city. Daytime population within the DSA is far below the remainder of the city.

Household Characteristics

	DOWNTOWN STUDY AREA	REMAINDER OF MIDLAND	STATE OF MICHIGAN
HOUSEHOLDS			
1990 CENSUS	121	15,014	3,419,331
2000 CENSUS	174	16,568	3,785,661
2007 ESTIMATED	191	17,060	3,936,519
2012 PROJECTED	194	17,214	4,009,481
PERCENT CHANGE 1990 TO 2000	43.8%	10.4%	10.7%
PERCENT CHANGE 2000 TO 2007	9.8%	3.0%	4.0%
PERCENT CHANGE 2007 TO 2012	1.6%	0.9%	1.9%
HOUSEHOLDS BY COMPOSITION 2007			
PERCENT SINGLE	56.5%	29.9%	27.2%
PERCENT MARRIED WITH CHILDREN	11.9%	26.4%	23.5%
PERCENT MARRIED NO CHILDREN	12.5%	29.1%	28.7%
PERCENT SINGLE PARENT	13.1%	10.8%	16.0%
PERCENT OTHER	6.0%	3.8%	4.7%
AVERAGE HOUSEHOLD SIZE 2007	1.9	2.4	2.5
HOUSEHOLDS BY TENURE 2007			
PERCENT OWNER	28.3%	70.3%	74.5%
PERCENT RENTER	71.7%	29.7%	25.5%
MEDIAN HOUSEHOLD INCOME 2007	\$23,922	\$52,664	\$50,319
HOUSEHOLDS BY PRIZM NE LIFESTAGE CLASSES & GROUPS 2007*			
PERCENT YOUNGER YEARS CLASS	33.6%	33.0%	32.7%
PERCENT <i>MIDLIFE SUCCESS</i> GROUP	0.8%	10.4%	15.4%
PERCENT <i>YOUNG ACHIEVERS</i> GROUP	10.3%	8.7%	6.8%
PERCENT <i>STRIVING SINGLES</i> GROUP	22.5%	13.9%	10.5%
PERCENT FAMILY LIFE CLASS	15.3%	30.4%	30.6%
PERCENT <i>ACCUMULATED WEALTH</i> GROUP	0.0%	1.0%	4.0%
PERCENT <i>YOUNG ACCUMULATORS</i> GROUP	0.0%	15.0%	8.4%
PERCENT <i>MAINSTREAM FAMILIES</i> GROUP	3.8%	9.5%	14.7%
PERCENT <i>SUSTAINING FAMILIES</i> GROUP	11.5%	4.9%	3.6%
PERCENT MATURE YEARS CLASS	51.1%	36.7%	36.7%
PERCENT <i>AFFLUENT EMPTY NESTS</i> GROUP	0.2%	9.5%	6.1%
PERCENT <i>CONSERVATIVE CLASSICS</i> GROUP	3.0%	11.2%	10.7%
PERCENT <i>CAUTIOUS COUPLES</i> GROUP	2.8%	5.5%	11.6%
PERCENT <i>SUSTAINING SENIORS</i> GROUP	45.1%	10.4%	8.4%

Source: 2000 Census; Claritas, Inc.

*See Addendum A for Lifestage Class & Group definitions.

Noteworthy observations and trends for the Midland DSA include the following:

- The total number of households within the DSA increased at a higher rate than the remainder of the city and the state from 1990 to 2000 (48.3% versus 10.4% and 10.7%). Further, it is projected to increase at a higher rate than the remainder of the city and the state from 2000 to 2012 (11.4% versus 3.9% and 5.9%).

- In 2007 191 households resided within the DSA, representing only 1.1% of the city's total households.
- In 2007 the typical DSA household profile was a single adult (69.6%) with no children (69.0%) earning \$23,922 a year (median income) and renting their residence (71.7%). This profile is quite different from the remainder of the city and the state. Percentages of DSA households with children (25.0%) and married adults (24.4%) were well below the remainder of the city (37.2% and 55.5%) and the state (39.5% and 52.2%).
- In 2007 the average household size within the DSA (1.9 people) was much smaller than the remainder of the city (2.4) and the state (2.5).
- In 2007 the percent of renter households within the DSA (71.7%) was much higher than the remainder of the city (29.7%) and the state (25.5%).
- In 2007 the median income within the DSA (\$23,922) was well below the remainder of the city (\$52,664) and the state (\$50,319).
- *Claritas, Inc. Prizm NE Lifestage* data for 2007 (estimated) was used to determine DSA resident profiles. Residents were classified in three main Lifestage classes: Younger Years, Family Life, and Mature Years. The largest Lifestage class within the DSA was *Mature Years* at 51.1% of all households, while the two largest Lifestage groups were *Sustaining Seniors* (45.1%) and *Striving Singles* (22.5%). The largest Lifestage class in the remainder of the city was *Mature Years* at 36.7% of all households, while the two largest Lifestage groups were *Young Accumulators* (15.0%) and *Striving Singles* (13.9%). The largest Lifestage class in the state was *Mature Years* at 36.7% of all households, while the two largest Lifestage groups were *Midlife Success* (15.4%) and *Mainstream Families* (14.7%). The DSA Lifestage class and group percentages are different from the remainder of the city and the state as a whole. This indicates that household composition within the DSA is different from the remainder of the city and the state. DSA households are both younger and older, smaller, mostly childless, lower income, and mostly renters.

Housing Characteristics

	DOWNTOWN STUDY AREA	REMAINDER OF MIDLAND	STATE OF MICHIGAN
HOUSING UNITS 2000			
PERCENT OCCUPIED	93.0%	94.3%	89.4%
PERCENT VACANT	7.0%	5.7%	10.6%
TOTAL	187	17,575	4,234,279
HOUSING UNITS 2007			
PERCENT OCCUPIED	92.7%	94.2%	87.8%
PERCENT VACANT	7.3%	5.8%	12.2%
TOTAL	206	18,114	4,482,194
HOUSING UNITS 2012			
PERCENT OCCUPIED	91.9%	94.0%	86.2%
PERCENT VACANT	8.1%	6.0%	13.8%
TOTAL	211	18,315	4,652,213
HOUSING PAYMENTS GREATER THAN 30% OF INCOME BY TENURE 2000			
PERCENT OWNER-OCCUPIED UNITS	8.2%	12.5%	17.8%
PERCENT RENTER-OCCUPIED UNITS	57.7%	42.1%	37.6%
AVERAGE MONTHLY OWNER HOUSING PAYMENT 2000	\$610	\$1,025	\$1,037
AVERAGE MONTHLY RENTER HOUSING PAYMENT 2000	\$546	\$548	\$578
AVERAGE NUMBER OF ROOMS PER OCCUPIED HOUSING UNIT 2000	4.4	6	5.7
AVERAGE NUMBER OF BEDROOMS PER OCCUPIED HOUSING UNIT 2000	2.0	2.3	2.3
YEAR BUILT; OWNER-OCCUPIED UNITS (2000)			
PERCENT 1990 TO MARCH 2000	0.0%	11.8%	16.0%
PERCENT 1980 TO 1989	0.0%	10.6%	9.7%
PERCENT 1979 OR EARLIER	100.0%	77.6%	74.3%
YEAR BUILT; RENTER-OCCUPIED UNITS (2000)			
PERCENT 1990 TO MARCH 2000	40.8%	14.5%	10.2%
PERCENT 1980 TO 1989	4.0%	18.1%	13.0%
PERCENT 1979 OR EARLIER	55.2%	67.4%	76.8%
HOUSING UNITS BY STRUCTURE TYPE 2000			
PERCENT SINGLE FAMILY	37.4%	73.3%	74.5%
PERCENT 2 TO 19 UNITS IN A BUILDING	29.9%	15.4%	13.7%
PERCENT 20 TO 49 UNITS IN A BUILDING	4.3%	3.0%	2.2%
PERCENT 50 OR MORE UNITS IN A BUILDING	28.3%	5.3%	3.0%
PERCENT OTHER	0.0%	3.0%	6.7%
MEDIAN HOME VALUE 2000	\$68,923	\$113,160	\$110,857
MEDIAN HOME VALUE 2007	\$85,714	\$144,011	\$145,613
MEDIAN HOME VALUE 2012	\$89,545	\$155,002	\$158,803
AVERAGE RESIDENCY LENGTH; OWNER-OCCUPIED UNITS	7.0	11.0	11.0
ANNUAL TURNOVER; OWNER-OCCUPIED UNITS (2000)	3.3%	6.7%	7.7%
ANNUAL TURNOVER; RENTER-OCCUPIED UNITS (2000)	28.8%	37.1%	31.6%

Source: 2000 Census; Claritas, Inc.

Noteworthy observations and trends for the Midland DSA include the following:

- The total number of housing units in the DSA was projected to increase at a higher rate than the remainder of the city and the state from 2000 to 2012 (12.8% versus 4.2% and 9.9%).
- While the total number of housing units in the DSA was projected to increase from 2000 to 2012, the vacancy rate was projected to increase slightly as well from 7.0% to 8.1%, a 15.7% increase. This slowly increasing vacancy rate was projected to hold true for the remainder of the city and the state.
- In 2007 there were 206 housing units within the DSA, representing only 1.1% of the city's total housing units. Of the DSA housing units, 7.3% were estimated to be vacant.
- In 2000 57.7% of the renter-occupied units within the DSA paid more than 30% of their gross income for housing. This is a higher percentage than the remainder of the city (42.1%) and the state (37.6%).
- In 2000 owner-occupied units within the DSA paid an average of \$610 per month for housing, which was much less than the remainder of the city (\$1,025) and the state (\$1,037). Renter-occupied units within the DSA paid an average of \$546 per month for housing, which was similar to the remainder of the city (\$548) and the state (\$578).
- In 2000 the average number of total rooms (4.4) and bedrooms (2) per DSA housing unit were less than the remainder of the city (6 and 2.3) and the state (5.7 and 2.3). This indicates that housing units within the DSA were much smaller than those found in the rest of the city and the state.
- In 2000 62.5% of all housing units within the DSA were in multi-unit buildings. This percentage is much higher than the remainder of the city (23.7%) and the state (18.9%). Conversely, 37.4% of all housing units in the DSA were single-unit/single-family structures.
- The median home value within the DSA was projected to increase at a lower rate than the remainder of the city and the state from 2000 to 2012 (29.9% versus 37.0% and 43.3%). Further, the actual values were projected to be much lower than the remainder of the city and the state.

- The average residency length of owner-occupied units within the DSA (seven years) is shorter than the remainder of the city and the state (both 11 years). Annual turnover rates within the DSA for renter-occupied and owner-occupied units are lower than the remainder of the city and the state.

Crime & Transportation

	DOWNTOWN STUDY AREA	REMAINDER OF MIDLAND	STATE OF MICHIGAN
CRIME INDEX 2007*			
<i>PERSONAL CRIME</i>	40	35	94
<i>PROPERTY CRIME</i>	47	32	115
WORKER COMMUTE BY MODE (AGE 16+) 2007			
PERCENT DRIVE ALONE	82.2%	87.6%	83.5%
PERCENT CARPOOL	6.8%	6.2%	9.6%
PERCENT PUBLIC TRANSIT	3.4%	0.5%	1.2%
PERCENT WALK	6.8%	1.7%	2.2%
PERCENT MOTORCYCLE / BICYCLE	0.8%	0.4%	0.2%
PERCENT OTHER MEANS	0.0%	0.4%	0.5%
PERCENT WORK AT HOME	0.0%	3.2%	2.9%
TOTAL WORKERS	119	19,878	4,777,007
AVERAGE WORKER COMMUTE TIME IN MINUTES (AGE 16+) 2007	17.2	18.2	26.2
AVERAGE NUMBER OF VEHICLES PER HOUSEHOLD BY TENURE 2007			
OWNER HOUSEHOLDS	1.1	1.8	1.8
RENTER HOUSEHOLDS	1.6	2.0	2.0
ALL HOUSEHOLDS	0.9	1.2	1.2

Source: 2000 Census; Claritas, Inc.; Applied Geographic Solutions; VWB Research

*Based on a par value of 100

Noteworthy observations and trends for the Midland DSA include the following:

- In 2007 personal and property crime indices within the DSA were similar to the remainder of the city, and well below the state and national averages.
- In 2007 the adult workers within the DSA used a car less often to commute than did the adult workers in the remainder of the city and the state (89.0% versus 93.8% and 93.1%); 6.8% walked to work, and 3.4% used public transit.
- In 2007 adult workers within the DSA had shorter commute times (17.2 minutes) than those in the remainder of the city (18.2) and the state (26.2).

- In 2007 households within the DSA had slightly fewer vehicles (0.9) than those in the remainder of the city (1.2) and the state (1.2).

Economic & Employment Indicators

	DOWNTOWN STUDY AREA	REMAINDER OF MIDLAND	STATE OF MICHIGAN
EMPLOYMENT SHARE BY INDUSTRY 2007			
AGRICULTURE & NATURAL RESOURCES	0.0%	0.5%	1.1%
MINING	0.0%	0.1%	0.1%
CONSTRUCTION	1.0%	7.2%	4.3%
MANUFACTURING	4.5%	17.8%	14.7%
TRANSPORTATION & UTILITIES	0.2%	2.7%	4.1%
WHOLESALE TRADE	0.7%	5.4%	4.3%
RETAIL TRADE	15.9%	14.7%	19.4%
F.I.R.E.	7.5%	4.2%	5.9%
SERVICES	48.7%	44.2%	39.9%
GOVERNMENT	21.2%	3.0%	5.0%
NON-CLASSIFIABLE	0.3%	0.2%	1.1%
TOTAL EMPLOYEES	1,469	28,024	5,680,903
ANNUAL UNEMPLOYMENT RATE			
2000	NA	2.5%	3.7%
2001	NA	3.2%	5.2%
2002	NA	4.1%	6.2%
2003	NA	4.8%	7.1%
2004	NA	4.8%	7.0%
2005	NA	4.4%	6.8%
2006	NA	4.2%	6.9%
2007	NA	4.4%	7.2%
MEDIAN HOUSEHOLD EFFECTIVE BUYING INCOME 2007	\$22,540	\$43,047	\$41,752
ECONOMIC DENSITIES 2007			
TOTAL BUSINESSES PER SQUARE MILE	863.1	53.7	7.1
RETAIL BUSINESSES PER SQUARE MILE	154.8	9.8	1.4
EMPLOYEES PER SQUARE MILE	8,744.0	847.9	100.0
RESIDENTIAL MULTI-UNIT BUILDING PERMITS BY DECADE (5+ UNITS PER BUILDING)			
2000 TO 2006 (UNITS)	NA	110	46,563
1990 TO 1999 (UNITS)	NA	403	65,592
1980 TO 1989 (UNITS)	NA	319	106,921

Source: Claritas, Inc.; Department of Labor, Bureau of Labor Statistics; socds.huduser.org – Building Permit Database

Table continued

TOP 10 EMPLOYERS WITHIN ONE MILE OF DOWNTOWN STUDY AREA	NUMBER OF EMPLOYEES	TYPE OF BUSINESS
1. MIDLAND COMMUNITY CENTER	400	CHILD DAY CARE SERVICES
2. MARRIOTT HOTEL	200	HOTEL
3. MIDLAND COMPUTER TRAINING	150	COMPUTER TRAINING
4. MCKAY PRESS	120	COMMERCIAL PRINTING
5. ITH STAFFING SOLUTIONS	120	EMPLOYMENT PLACEMENT
6. MIDLAND DAILY NEWS	100	NEWSPAPER PUBLISHERS
7. MIDLAND CENTER FOR THE ARTS	92	MUSEUM
8. KING'S DAUGHTERS	73	SOCIAL SERVICES
9. DOW MEMORIAL LIBRARY	69	LIBRARY
10. FISHER CONTRACTING	65	RESIDENTIAL CONSTRUCTION

Source: 2007 InfoUSA Business Database

Noteworthy observations and trends for the Midland DSA include the following:

- In 2007 1,469 people worked within the DSA, representing 5.0% of all workers within the city.
- In 2007 the industry with the most employees within the DSA was Services at 48.7%.
- In 2007 white-collar employment within the DSA (52.3%) was lower than the remainder of the city (70.7%) and the state (56.9%).
- From 2000 to 2007, the unemployment rate for Midland has been much lower than the state rate, while increasing from 2.1% to 4.4%. In 2007 the unemployment rate for Midland was 4.4%, compared to the state's 7.2%
- In 2007 the median household effective buying income within the DSA (\$22,540) was well below the remainder of the city (\$43,047) and the state (\$41,752).
- On a citywide basis, the number of residential permits issued for units in buildings with five or more dwellings fluctuated over the last three decades. Permits for multi-unit buildings (five or more units) issued during the 1990s increased 26.3% from those issued during the 1980s. The same type permits issued during the 2000s (adjusted for a full decade) decreased 61.0% from those issued during the 1990s. Since 2000, an average of 16 multi-unit building permits per year were issued citywide; down from 32 per year during the 1980s.

- Within 1.0 mile of the DSA, the largest employer is Midland Community Center with 400 employees. The 10 largest employers within 1.0 mile of the DSA employ a total of 1,389 people. Within the DSA, 1,469 people are employed, yielding an “Employment per DSA Resident” ratio of 4.6 to one (based on 2007 estimates).

Demographic Summary

Resident households within the Midland DSA typically are childless, unmarried adults (37 year median age) who either live alone or with a roommate/partner, are college-educated, earn an average of \$24,000 per year, and rent their residence. The largest Lifestage Group is *Sustaining Seniors*. There are slightly more females than males. After growing significantly in the 1990s, the DSA population is projected to increase at a slower rate from 2000 to 2012 with household growth increasing as well. Only 0.8% of the city’s population is projected to live within the DSA in 2007. Population density and daytime population are well below average for DSAs in this study.

The number of total housing units within the DSA is projected to increase from 2000 to 2012, however, so is the vacancy rate. Only 1.1% of the city’s total housing units are projected to be within the DSA in 2007. There are many more renters than owners, and most of those renting pay over 30% of their income for housing. Housing units are denser (more units per building) and smaller within the DSA than the remainder of the city. The typical housing unit within the DSA has two bedrooms and is in a multi-unit building. DSA owners pay much less per month for housing than the state average, while renters pay slightly less than the state average. Owner-occupied units are older than renter-occupied units. While median home values are increasing, they are much lower than the remainder of the city and the state. Residency length is shorter within the DSA, but the annual turnover rates for renters and owners are lower within the DSA than the remainder of the city and the state.

Crime indices within the DSA are slightly higher than the rest of the city, but much lower than state and national averages. Transportation data indicates that DSA residents/households drive less often to work, have shorter commuting times, and own fewer vehicles than their counterparts outside the DSA.

Midland Community Center and the Marriott Hotel most heavily influence employment in and near the DSA. Six of the largest 10 employers within 1.0 mile of the DSA are private for-profit businesses. Most employment is white-collar (52.3%) with 93.3% of jobs falling within Service, Retail, Government, and Finance/Insurance/Real Estate industries.

Unemployment citywide has increased since 2000, but remains well under the state rate. Building permits for residential dwellings in multi-unit buildings have decreased citywide since the 1990s, indicating a softening of the multi-unit housing market. Economic densities for the DSA are much higher than the remainder of the city, but below average for DSAs in this study.

3. MULTI-UNIT HOUSING SUPPLY ANALYSIS

Demographic Housing Supply Overview

According to the U.S. Census, the distribution of housing stock by tenure and occupancy within the Bay City DSA for 2000, 2007 (estimated), and 2012 (projected) is summarized in the following table:

HOUSING TYPE	2000 CENSUS		2007 (ESTIMATED)		2012 (PROJECTED)	
	HOUSING UNITS	PERCENT	HOUSING UNITS	PERCENT	HOUSING UNITS	PERCENT
TOTAL OCCUPIED	174	93.0%	191	92.7%	194	91.9%
OWNER-OCCUPIED	49	28.2%	54	28.3%	55	28.4%
RENTER-OCCUPIED	125	71.8%	137	71.7%	139	71.6%
VACANT	13	7.0%	15	7.3%	17	8.1%
TOTAL	187	100.0%	206	100.0%	211	100.0%

Source: 2000 Census; Claritas, Inc.; VWB Research

For all three years (2000, 2007, and 2012), renter-occupied housing units outnumber owner-occupied housing units by 2.5 to one.

Demographic housing trends indicate the total number of housing units within the DSA was projected to decrease by 61 (8.9%) from 2000 to 2012, while the vacancy rate for all housing units was projected to increase from 8.2% to 10.0% during the same 12-year period.

The following table shows the distribution of occupied housing units within the DSA by structure type (type = units per building) in 2000:

HOUSING UNITS BY STRUCTURE TYPE (2000 CENSUS)	NUMBER OF UNITS	PERCENT
SINGLE-UNIT	70	37.4%
LOW-DENSITY MULTI-UNIT (2 TO 19 UNITS PER BUILDING)	56	29.9%
MEDIUM-DENSITY MULTI-UNIT (20 TO 49 UNITS PER BUILDING)	8	4.3%
HIGH-DENSITY MULTI-UNIT (50+ UNITS PER BUILDING)	53	28.3%
OTHER (TRAILER/BOAT/RV/VAN/ETC.)	0	0.0%
TOTAL	187	100.0%

Source: U.S. Census Bureau; 2000 Census

The above table shows that most of the occupied housing units within the DSA were located in Single-Unit buildings (37.4%). Of all the occupied housing units within the DSA, 62.5% were located in Multi-Unit buildings, with most in Low-Density Multi-Unit buildings (29.9%)

The following table presents selected housing characteristics by owner- and renter-occupied housing units for the DSA in 2000:

HOUSING CHARACTERISTIC IN YEAR 2000	OWNER-OCCUPIED HOUSING UNITS	RENTER-OCCUPIED HOUSING UNITS
AVERAGE MONTHLY HOUSING PAYMENT	\$610	\$546
PERCENT WITH HOUSING PAYMENT GREATER THAN 30% OF INCOME	8.2%	57.7%
AVERAGE HOUSEHOLD SIZE	2.4	1.6
PERCENT MOVED-IN BETWEEN 1995 & 2000	44.9%	64.0%
ANNUAL TURNOVER RATE	3.3%	28.8%
AVERAGE NUMBER OF TOTAL ROOMS	6.6	3.7
AVERAGE NUMBER OF BEDROOMS	2.7	1.4
PERCENT BUILT BETWEEN 1990 & 2000	0.0%	40.8%
MEDIAN YEAR BUILT	<1939	1961

Source: U.S. Census Bureau; 2000 Census

Noteworthy observations from the above table about the DSA include:

- Fifty-seven percent of renter households paid more than 30% of their income for housing.
- Owner households were larger in size than renter households.
- Between 1995 and 2000, 64% of renter households moved into the DSA, while 45% of owners moved in during that period.
- The annual turnover rate for renters was higher than owners. The owner turnover rate was very low.
- Owner-occupied units were much larger than renter-occupied units.
- Forty percent of renter units were built during the 1990s, while no owner units were built during that period.

Multi-Unit Rental Housing Supply Survey

We did not identify any multi-unit rental housing properties within the Midland DSA that met the selection criteria for this study.

Multi-Unit Condominium Housing Supply Survey

We did not identify any multi-unit condominium housing properties within the Midland DSA that met the selection criteria for this study.

Planned Multi-Unit Developments

According to city building and planning officials, there were no multi-unit housing properties pending city approvals that had not started construction by July 2007 (study cut-off date) within the Midland DSA.

Summary

From our research and field survey, there was no multi-unit housing supply within the Midland DSA that met the selection criteria for this study.